

NAM to lobby for 'energy security' legislation

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The largest manufacturing group in the United States is crafting comprehensive energy security legislation aimed at boosting Arctic and offshore oil-and-gas production, nuclear electricity generation and energy efficiency.

The National Association of Manufacturers plans to produce a final draft of the bill as early as next week in hopes of securing legislative sponsors from within the ranks of the House and Senate energy committees and conservative "Blue Dog" Democrats, said Keith McCoy, NAM's vice president of energy resources policy.

NAM officials have been shopping a draft of the "Energy Security for American Competitiveness" bill to lawmakers for several weeks. House Science Committee Chairman Bart Gordon (D-Tenn.) is among lawmakers who have expressed interest in supporting the bill, McCoy said.

"I think everybody we've talked to believes in the need to diversify our fuel mix and lowering energy costs for manufacturers and everyday citizens," McCoy said during a roundtable with reporters yesterday. "This bill does that."

The group's broad agenda proposes national goals for energy efficiency, regulation, supplies, education and research and development. NAM President John Engler has said that the rising cost of energy is the No. 1 issue for his members, who span the auto, electric utility, steel, coal and textile industries.

The manufacturer group's legislation will propose a voluntary, market-driven goal of decreasing the energy intensity of the U.S. economy by 30 percent by 2021 -- a consumption reduction of 2.5 percent annually.

The bill would make permanent a research and development credit for energy, a policy Vice President Dick Cheney endorsed in a recent speech before NAM members.

On the supply front, NAM's bill would require the government to provide an analysis of any adverse effects regulation has on energy supply, distribution or use. The bill will also call for the creation of a White House-level office that could streamline permits for energy projects on federal lands.

Beyond that, McCoy conceded that provisions of NAM's bill could encounter opposition from more liberal members of Congress.

The bill will propose interim storage facilities for nuclear power waste, provisions to prevent delays in approving new power plants, and funding for new university-based nuclear physics programs.

The bill will also call for increased production of oil and gas on the continental United States' offshore areas, as well as Alaska's Arctic National Wildlife Refuge. In recent years, Senate Democrats have scuttled GOP bids to open the vast Arctic area to drilling.

Given the new Democratic majority in both chambers of Congress, McCoy signaled that his organization might be willing to negotiate on historically contentious provisions of the bill.

"There are no apologies for what's in here," he added. "From our members' standpoint, this is what it is going to take to reduce energy costs."

While the bill does not specifically address climate change, McCoy said his membership is revisiting its stance on the issue.

Since 1997, NAM has officially endorsed voluntary efforts to reduce greenhouse gas emissions. In recent years, however, some members of the organization have begun to endorse mandatory measures to cap carbon emissions and called NAM's policy "outdated," McCoy said.

McCoy said the bill indirectly deals with emissions reduction by supporting nuclear energy and energy efficiency.

"Where we hope to go is a bit of a tough question because we have a lot of diverse interests among our members," he added. "We hope to coalesce around a position that can maintain U.S. manufacturers' economic competitiveness."